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## C O N F I D E N T I A L AIT TAIPEI 001077

SENSITIVE SIPDIS

STATE ALSO FOR EAP/TC, ISN/FO RSTRATFORD AND ISN/NESS ABURKART, DOE FOR EMCGINNIS

E.O. 12958: DECL: 09/03/2019

TAGS: ENRG SENV TRGY FR TW

SUBJECT: FRENCH SEEK U.S. COORDINATION ON STALLED BID FOR NUCLEAR FUEL RECYCLING

Classified By: Economic Chief Hanscom Smith for reasons 1.4 (b) and (d)  $\cdot$ 

- $\P1$ . (U) This telegram contains an action request for T/ISN in para 4.
- 11. (C) SUMMARY. French contacts in Taiwan are seeking U.S. coordination to ascertain why a bid by the French company AREVA to recycle spent nuclear fuel from Taiwan was stalled by the Ministry of Economic Affairs last year. The French Institute in Taipei believes that AIT can compel Taiwan nuclear authorities to complete the tendering process in favor of AREVA. END SUMMARY.
- 12. (C) French Institute in Taipei Economic Counselor Emmanuel Ly-Batallan met with ESTHoff on September 1 to discuss a stalled bid by AREVA, a French public industrial conglomerate, to recycle 292 tons of spent nuclear fuel from Taiwan's Chinshan Nuclear Power Plant. According to Ly-Batallan, AREVA was named over one year ago as the sole competent bidder for this project in a process supported by Taiwan's Atomic Energy Council (AEC) and the Institute of Nuclear Energy Research (INER). However, approximately one year ago, Taiwan's Ministry of Economic Affairs (MOEA) stepped in to halt the process before the tender could be awarded. Ly-Batallan told us that MOEA gave no explanation for its action, but also that his office did not follow up with MOEA. ESTHoff suggested that Mr. Ly-Batallan inquire directly with the relevant MOEA office for more information, which he noted he would do.
- 13. (C) Ly-Batallan was under the impression that AIT can get the process moving again if we request from the competent Taiwan nuclear authorities a letter asking the U.S. to authorize Taiwan to ship the spent fuel to France. The thrust of Ly-Batallan's visit to AIT was to ascertain if this is in fact the case, and, if so, will AIT help the French Institute in Taipei convince Taiwan to award the tender to AREVA?
- 14. (SBU) Please advise what steps AIT should take in responding to the French request for assistance, and provide any relevant background on the case. ESTH Officer Dan Wald

(walddp@state.gov) is the point of contact for this issue. STANTON